

Improving Employee Performance: the Role of Communication, Work Ethics, and Transformational Leadership

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Abstract. The aim of this research of analyze the effect of communication, work ethic and transformational leadership on employee performance. The population of this study were employees of Antarakata Group, Antarakata Group is a company engaged in food and beverage in the Semarang area. The study includes 103 respondents. The data collection method in this study was through a questionnaire. Data analysis using multiple linear regression. The tests carried out in this study include validity test, reliability test, model test, and hypothesis testing using the SPSS version 25 program. The results showed that communication did not have a significant effect on employee performance, work ethic has a positive and significant effect on employee performance, work transformational leadership has a positive and significant effect on employee performance. Overall, the results suggest that work ethic and transformational leadership are key factors influencing employee performance in the Antarakata Group. However, communication, as it is currently practiced, does not seem to have a significant impact on employee performance.

Keywords: Communication, work ethic, transformational leadership, employee performance

1 Introduction

Human Resources (HR) in an organization has a very crucial role and is one of the benchmarks in achieving performance. The quality of human resources that have competencies that meet the requirements with high quality standards will have an impact on achieving high performance in quantity and quality, and vice versa will have an impact on achieving low performance. Thus, organizations that target to have a sustainable competitive advantage are required to focus on managing their human resources through the process of planning, managing, and monitoring. In the times that are increasingly required to move quickly and precisely, the factor of developing and empowering resources is very important in the continuity of a life process. Like human resources as well as the processes that occur within the company [1].

The quality of Human Resources indicators can be seen from employee performance. The definition of performance is reflected in the quantity of employee work seen from the work he has completed. Work quantity is defined as the amount of work an employee gets within a predetermined period of time for the company. If the amount of work completed by employees is

increasing, the performance produced by employees is getting better [2]. Employee performance is the result of work achieved by an employee in carrying out the tasks assigned to him based on skills, experience and seriousness and time [3]. Performance is the output or result of an activity or program that has been planned in advance and aims to achieve the goals and objectives set by the organization [4]. Overall, effective HR management and the enhancement of employee performance contribute significantly to an organization's success and its ability to maintain a competitive edge in the market.

One of the factors predicted to affect employee performance is communication. Communication is the process of transferring meaning and understanding. Good communication transfers thoughts then the receiver can understand them as the same information as what the sender intended [4]. [5] explains that communication is the delivery of information and understanding, on verbal and nonverbal symbols. In addition, Robbins revealed that communication is the process of transferring meaning and understanding. Good communication transfers thoughts then the recipient can understand them as the same mental highlight as what the sender meant. Research conducted by [6] states that communication has a significant effect on employee performance. This research was conducted at PT Pangan Sari Utama Food Industry, East Jakarta. This study uses the Slovin formula, the number of samples is 100 respondents.

In addition to communication, there are other factors that are predicted to affect employee performance, namely work ethic. Work ethic is the vision and attitude of society towards work. When community members view work as something noble for a human existence, then the work ethic tends to be high. Conversely, the work ethic of employees is low because attitudes and opinions at work have no value in life [2]. In general terms, these statements suggest that multiple research studies, denoted as [7], [8], [9], and [10], have found a positive and significant relationship between work ethic and employee performance. This means that employees who demonstrate strong work ethics tend to perform better in their roles compared to those with weaker work ethics.

Transformational leadership is also predicted to have an influence on employee performance. The leadership style in a company is very different, so that subordinates need a certain leadership style. Leaders have many ways to run a company in influencing their subordinates. One of the styles that can be used to run a company is the transformational leadership style [11]. Transformational leadership is a leader who has the power to influence his subordinates in a certain way. With the application of transformational leadership, subordinates will feel trusted, valued, loyal and respectful to their leaders. In the end, subordinates will be motivated to do more than expected [12]. Research from [12] conducted at CV Artha Mega Mandiri Medan and research conducted by [13] shows the results that transformational leadership has a significant effect on employee performance.

Antarakata Group is a company engaged in the field of Food and beverage which is already large, especially in Semarang and its surroundings. Antarakata Group strives to improve service and quality in the field of F&B in order to improve the quality of service provided every day. Based on a pre-survey conducted, it is known that employee performance is not optimal. This can be seen from the performance achievements that have not met the targets of the company (see **Table 1**).

Tabel 1. Performance

Employee Performance	Respondent	Score	Score max	Average%
1. The amount of work I do is relatively large.	20	78	100	78%
2. I try to work with the best possible quality of work for the progress of the company.	20	75	100	75%
3. I am punctual in completing work at the company.	20	69	100	69%
4. Your leader explains and provides details about the tasks assigned.	20	66	100	66%

This study aims to analyze the effect of communication, work ethics and transformational leadership on employee performance. Antarakata Group which is engaged in Food and Beverage is the object of this research.

2 Methods

This type of research is quantitative research with primary data sources obtained from filling out questionnaires distributed to Antarakata Group employees. The population in this study were employees of Antarakata Group with a sample of 103 employees. The sampling technique in this study used purposive sampling method with the following sample selection criteria: (1) Permanent / temporary employees of Antarakata Group, (2) Minimum age of 20 years, (3) Minimum junior high school education, (4) Minimum length of work of one year. This study uses Multiple Linear Regression Analysis Techniques used to decide whether the independent variables simultaneously and partially affect the dependent variable. Multiple linear regression is a statistical technique used to identify relationships between multiple independent variables and a dependent variable. The variables connected in this study consist of communication variables (X1), work ethic (X2), and transformational leadership (X3) to employee performance (Y).

3 Results And Discussion

3.1 Validity Test

The validity test is used to measure the validity or validity of a questionnaire. The validity test in this study uses factor analysis testing to test each question to confirm a variable [14]. In this study, the level of validity was measured using the KMO value > 0.5 and loading factor > 0.4. The results of the validity test conducted in this study can be seen from **Table 2**.

Tabel 2. Validity Test Result

Variable	KMO	Indicators	Loading Factor	Description
Communication (X1)	0,795	X1.1	0,778	Valid
		X1.2	0,741	Valid
		X1.3	0,764	Valid
		X1.4	0,566	Valid
		X1.5	0,733	Valid
Work Ethics (X2)	0,733	X2.1	0,778	Valid
		X2.2	0,687	Valid
		X2.3	0,711	Valid
		X2.4	0,613	Valid
		X2.5	0,799	Valid
Transformational Leadership (X3)	0,785	X3.1	0,681	Valid
		X3.2	0,642	Valid
		X3.3	0,601	Valid
		X3.4	0,730	Valid
		X3.5	0,769	Valid
		X3.6	0,608	Valid
Employee Performance (Y)	0,780	Y.1	0,741	Valid
		Y.2	0,853	Valid
		Y.3	0,765	Valid
		Y.4	0,786	Valid

Based on the table 2.0 it is known that the KMO value of the communication variable (X1) is 0.795, the work ethic variable (X2) is 0.733, the transformational leadership variable (X3) is 0.785, and the employee performance variable (Y) is 0.780, which means that the KMO value of all variables is > 0.5 . In addition, for the loading factor value on all items about each variable > 0.4 . Thus, all index items used in this study passed the validity test and can be declared valid.

3.2 Reliability Test

Based on the table 3.0, it is known that the KMO value of the communication variable (X1) is 0.795, the work ethic variable (X2) is 0.733, the transformational leadership variable (X3) is 0.785, and the employee performance variable (Y) is 0.780, which means that the KMO value of all variables is > 0.5 . In addition, for the loading factor value on all items about each variable > 0.4 . Thus, all index items used in this study passed the validity test and were declared valid (see **Table 3**)

Table 3. Reliability Test Results

Variable	Cronbach Alpha	Criteria	Description
Communication (X1)	0,754	0,60	Reliable
Work Ethic (X2)	0,765	0,60	Reliable

Transformational Leadership (X3)	0,756	0,60	Reliable
Employee Performance (Y)	0,794	0,60	Reliable

Based on table 3.0, it shows that all variables have a Cronbach's Alpha coefficient above 0.60, so it can be said that all variables have met the reliability requirements so they can be used to conduct research.

3.3 Research Model Test Results

3.3.1 F Test

Based on **TABLE 4**, the F test results show that the calculated F value is 37.487 and the significance value of 0.000 is less than <0.05 so it can be concluded that communication (X1), work ethic (X2), and transformational leadership (X3) together (simultaneously) affect employee performance (Y).

Table 4. F Test Results

Variable Independen	Variable Dependent	F	Sig.
Communication (X1)	Employee Performance (Y)	37,487	0,000
Work Ethic (X2)			
Transformational Leadership (X3)			

3.3.2 Coefficient of Determination (R²)

The coefficient of determination is used to determine the capabilities of the independent variable to explain the dependent variable. From **Table 5**, it is known that the independent variable is able to explain the dependent variable by 51.8%, while the remaining 48.2% is explained by other variables outside the study.

Table 5. Results of the Coefficient of Determination (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.729 ^a	.532	.518	1.37665
a. Predictors: (Constant), Transformational Leadership, Work Ethic, Communication				

3.3.3 Hypothesis Test (T Test)

Partial hypothesis testing is used to determine the effect of independent variables (communication (X1), work ethic (X2), and transformational leadership (X3)) individually on employee performance (Y). The significance level used in this study is 0.05%.

The results of the t test can be seen in the **TABLE 6**.

Table 6. Hypothesis Test Results (t Test)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.625	1.474		1.102	.273
	Communication	.053	.056	.076	.938	.351
	Work Ethics	.490	.068	.552	7.205	.000
	Transformational Leadership	.151	.049	.251	3.074	.003
a. Dependent Variable: Employee Performance						

Based on the table above, the results of the hypothesis test (t test) can be explained as follows:

- a. H1 : Communication has no effect on Employee Performance
Based on table 5 shows that the communication variable has a significance level of 0.351 more than the significant level of 0.05. Thus, partially the first hypothesis which states that communication has a positive effect on employee performance cannot be accepted.
- b. H2 : Work Ethic affects Employee Performance
Based on table 5, it shows that the work ethics variable has a significance value of 0.000 less than the significant level of 0.05. Thus, partially the second hypothesis which states that work ethic has a positive effect on employee performance can be accepted.
- c. H3 : Transformational Leadership affects Employee Performance
Based on table 5, it shows that the transformational leadership variable has a significance level of 0.003 less than the significant level of 0.05. Thus, partially the third hypothesis which states that transformational leadership has a positive effect on employee performance can be accepted.

3.4 Discussion

1. Effect of Communication on Employee Performance

Based on the results of data analysis conducted, communication (X1) has no effect on employee performance (Y) at Antarakata Group. Theoretically, if communication between individuals is formed and smooth, it will form employee performance in accordance with the goals of the company. Effective communication is the key to an organization's success. Effective communication can strengthen the vision of the

organization, become a liaison between organizational members (leaders and employees), encourage the process of organizational improvement, facilitate change, and encourage the achievement of organizational goals through changes in employee behavior. However, in Antarakata Group, communication has no influence on employee performance. The results of statistical testing in the t test show that the significant value of the communication variable is $0.351 >$ more than the significance level of 0.05 . Generate that communication has no positive effect on employee performance. Thus, it can be concluded that H1 cannot be accepted. This shows that the employee performance variable is not fully influenced by the communication variable. According to this study, improving communication within an organization or company is very important because it is for the smooth and successful operation of the company. The results of this study are in accordance with previous research on communication has no significant effect on employee performance, which shows that communication at PT Wika Cilacap Region has no impact on employee performance.

2. Effect of Work Ethics on Employee Performance

Based on the results of data analysis, it shows that partially work ethic (X2) has a positive and significant effect on employee performance (Y) at Antarakata Group. The results of this study indicate that work ethic has a positive effect on employee performance. This is because Antarakata Group employees in carrying out their job responsibilities have implemented a good work ethic such as being responsible for the work they do, completing work according to the time given, and always focusing on the work they do. Therefore, with the increase in work ethic, employee performance will increase.

3. The existence of good enthusiasm and motivation in employees so as to create an increased work ethic will give employees the desire to fulfill all forms of their obligations can be fulfilled. Thus this can be a factor that can improve employee performance better. The results of previous research on work ethic on employee performance conducted by [2] [7], [9], and [10] state that work ethic has a positive and significant effect.

4. Effect of Transformational Leadership on Employee Performance

Based on the results of data analysis, it shows that partially Transformational Leadership (X1) has a positive and significant effect on Employee Performance (Y) at Antarakata Group. The effect of transformational leadership on employee performance can be seen through how a leader pays attention to his subordinates. The results of this study imply that the more leaders have a high sense of optimism and pay special attention to the needs of their subordinates, it can increase employee confidence and performance in carrying out their duties. The results of this study are in line with some of the findings in previous research on Leadership on Employee Performance conducted by [13], [16], and [17] which state that transformational leadership has a positive and significant effect.

4 Conclusion

The current study analyzes the relationship between communication, work ethic and transformational leadership across Antarakata Group branches. The results of the analysis show

that work ethic and transformational leadership have a positive and significant influence on employee performance. The results of this study indicate that workers have a good work ethic and leaders can work together with their employees to achieve the goals set by the company. This research further highlights that the quality of leaders created in the work environment directly affects employee performance.

Conversely, the results of this study indicate that communication does not significantly affect employee performance. This study suggests that the relationship between employees must have good and smooth communication so that the operation of the organization or company can run well. The results of this study have theoretical and practical implications. Theoretically, the results of the study provide support for the theory of the relationship between work ethic, transformational leadership and performance. Insignificant findings provide an opening for further research to conduct further research by considering the presence of mediating or moderating variables. While from the practical side, the results of this study can be used as input for the management of Antara Kata Group to improve the performance of its employees.

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